



# North Central Idaho News

CLEARWATER, IDAHO, LATAH, LEWIS & NEZ PERCE COUNTIES

## ECONOMIC TRENDS

The Lewiston Metropolitan Statistical Area's seasonally adjusted unemployment rate in November decreased to 4.7 percent from October's rate of 4.8 percent as shown in North Central Idaho Table 1. In November 2004 the rate was 5.7 percent. Year-over-year there was a decrease of 470 jobs. The job decrease since last year was mainly due to decreases in manufacturing, services and government. November is traditionally the month that holiday hiring makes a significant impact in employment data, but this year's holiday employment was behind last year.

## AREA DEVELOPMENTS

### Clearwater County

- This winter's cold weather has been good for fishing on the Clearwater River where some of the best catch rates of the year have been posted. In the winter, fish stop migrating and head for deeper and slower water. The Snake, Salmon and the Clearwater rivers all provide excellent winter fishing. By late December, steelhead are distributed in the Clearwater River from Lewiston upstream to Kooskia, the Snake upstream to Hell's Canyon Dam and throughout the Salmon River. All Idaho steelhead are summer-run fish, which means they leave the ocean in the late summer with most fish arriving in Idaho by early fall. These fish then spend the winter in the Snake, Salmon and Clearwater Rivers and spawn the following spring. Fish managers have broadly grouped Idaho steelhead into "A" and "B" runs. "A" run steelhead originate from the Snake and Salmon Rivers and spend one or two years in the ocean, returning as 5 to 10 pound adults. "B" run fish originate primarily from the Clearwater River and spend two to three years in the ocean, returning as 10 to 20 pound adults.

North Central Idaho Table 1: Lewiston MSA Labor Force & Employment  
Nez Perce County, Idaho and Asotin County, Washington

	Nov 2005*	Oct 2005	Nov 2004	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	28,990	29,000	28,820	0.0	0.6
Unemployment	1,360	1,390	1,630	-2.2	-16.6
% of Labor Force Unemployed	4.7	4.8	5.7		
Total Employment	27,630	27,610	27,190	0.1	1.6
<i>Unadjusted</i>					
Civilian Labor Force	28,820	28,720	28,650	0.3	0.6
Unemployment	1,290	1,180	1,540	9.3	-16.2
% of Labor Force Unemployed	4.5	4.1	5.4		
Total Employment	27,530	27,540	27,110	0.0	1.5
<b>JOBS BY PLACE OF WORK</b>					
Nonfarm Payroll Jobs** - NAICS	26,510	26,720	26,980	-0.8	-1.7
<i>Goods-Producing Industries</i>	4,300	4,430	4,530	-2.9	-5.1
Natural Resources & Mining	150	160	200	-6.3	-25.0
Construction	1,310	1,390	1,340	-5.8	-2.2
Manufacturing	2,840	2,880	2,990	-1.4	-5.0
Wood Product Manufacturing	510	520	540	-1.9	-5.6
Food Manufacturing	50	50	70	0.0	-28.6
Paper Manufacturing	1,120	1,130	1,140	-0.9	-1.8
Other Manufacturing	1,160	1,180	1,240	-1.7	-6.5
<i>Service-Providing Industries</i>	22,210	22,290	22,450	-0.4	-1.1
Trade, Transportation & Utilities	5,440	5,410	5,560	0.6	-2.2
Wholesale Trade	590	600	670	-1.7	-11.9
Retail Trade	3,580	3,540	3,590	1.1	-0.3
Utilities	90	90	90	0.0	0.0
Transportation & Warehousing	1,180	1,180	1,210	0.0	-2.5
Information	420	420	380	0.0	10.5
Financial Activities	1,850	1,870	1,810	-1.1	2.2
Professional & Business Services	1,600	1,650	1,610	-3.0	-0.6
Education & Health Services	4,250	4,240	4,370	0.2	-2.7
Leisure & Hospitality	2,420	2,450	2,400	-1.2	0.8
Other Services	1,110	1,110	1,110	0.0	0.0
Government Education	2,520	2,230	2,490	13.0	1.2
Government Administration	1,890	2,180	1,990	-13.3	-5.0
Government Tribes	710	730	730	-2.7	-2.7

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

## Idaho & Lewis Counties

- St. Mary's Hospital in Cottonwood received a \$289,369 Distance Learning and Telemedicine grant from the U.S. Department of Agriculture, which will be used to establish a teleradiology network between primary care and physical therapy clinics in Clearwater and Idaho counties. More than 30,000 rural residents will be served with this new technology.

- Snowhaven Ski Area near Grangeville opened its new tubing hill in January to an enthusiastic response. This is the first year the tubing hill has been open. Though it was completed in late 2004, it didn't open last year because of lack of snow. Owned by the city of Grangeville, Snowhaven offers several skiing and snowboarding runs from beginning to advanced.

### Latah County

- Bennett Lumber Products, which employs 350 people, was told in December that Watco, the owner of rail lines in north Idaho, was planning a surcharge of \$250 per rail car to make up the difference from a steady loss in customers. The new surcharge became effective Jan. 6. Bennett Lumber already pays \$5,000 to ship a single rail car from north Idaho to the East Coast and has used Watco lines and 270 rail cars to transport about 30 percent of its 150 million board feet of lumber last year. It takes three times as many trailer trucks to transport the same amount of lumber in one rail car. Watco said the surcharge will be used to cover increased maintenance and operation expenses.
- The University of Idaho has agreed to delay a \$7 million loan payment to the university from the University of Idaho Foundation stemming from the failed University Place project in Boise. The foundation and the university are suing the project's legal teams and developer Civic Partners for \$25 million. This third delay follows two others approved by the Idaho Board of Education in October 2003 and December 2004. The foundation missed its most recent deadline of Dec. 31, 2005. The \$7 million loan repayment stems from two notes the university provided to the foundation in 2002 for pre-development costs for University Place. The foundation, acting as the principal developer, could not handle the costs of the proposed \$136 million University Place project when the economy declined and the Idaho State Building Authority didn't provide any financial reimbursements. The university offered loans of \$2 million and \$5 million to keep the project going, but it failed to get appropriate approvals from the Board of Education. The University Place project was an ambitious multi-building satellite campus in Boise. The Idaho Water Center, the only building constructed before the project collapsed, cost \$43 million and left the foundation with about \$26 million of debt.

### Nez Perce and Asotin Counties

- Excavation has begun to remove sand and silt from the shipping channel of the lower Snake and Clearwater rivers for the first time in seven years. The U.S. Army Corps of Engineers awarded a \$5.1 million contract to Manson Construction Company of Seattle to remove about 400,000 cubic yards of material from the bottom of the two rivers. The company also will remove sediment from the berthing areas of the ports

of Lewiston and Clarkston. Each year spring floods carry sediments down river and the sand and silt settle out when the flow of the river slows as it enters the reservoir. The corps is mandated by Congress to maintain a 14-foot shipping channel. But the channel and port berthing areas are as shallow as eight feet in some places, which has caused port officials and barge operators to refrain from filling barges to capacity. Last spring two barges became stuck in the silt, and the shallow shipping channel and port areas have caused problems for some cruise ships that dock at the Port of Clarkston. Some of those ships now dock at the Port of Wilma to avoid the shallow water.

- The difference between an Idaho and a Washington minimum-wage job hit \$2.48 on Jan. 1. Washington's new rate of \$7.63 an hour is the highest in the nation. In 1998, Washington voters approved placing the state's minimum wage on an annual escalator tied to the federal Consumer Price Index for Urban Wage Earners and Clerical Workers. The minimum wage increased 2.6 percent in 2003-2004 and 3.8 percent in 2005. The minimum wage applies to workers in both agricultural and non-agricultural jobs. Younger workers, 14 and 15 years old, can be paid at 85 percent of the adult wage.
- Wi BioFuels, a subsidiary of Western Industrial, a company that develops real estate and performs industrial construction and maintenance, is planning to build a biodiesel fuel plant at the Port of Wilma on the Snake River near Clarkston, Wash. The plant will create 41 jobs and process up to 15 million gallons of canola oil. The Arizona-based company is making its first foray into biodiesel production with the \$21 to \$40 million plant. Company owner Bruce Nave chose to locate the plant at the Port of Wilma because of family ties in the region and a proposal by Washington Governor Christine Gregoire that would require all diesel fuel sold in Washington to contain a minimum of 2 percent biodiesel. Nave hopes the proposal will jump-start the state's biodiesel industry and provide a stable market. Biodiesel is fuel derived from vegetable oil from crops such as soybeans, canola or mustard seeds. It burns cleaner and with fewer emissions than petroleum-based diesel fuel. Area farmers are optimistic about the potential profit in biodiesel crops. At the 15 cents per pound Nave is offering local farmers for canola seed, farmers estimate they can earn about \$40 more per acre by growing canola rather than wheat. "Anything over 12 cents would allow a profit; it all depends on yield," said Pullman farmer Terry Morgan. The only drawback to canola production is that it is a little tougher to grow than wheat, Morgan said. Because canola is a smaller seed than wheat it is not planted as deeply so different equipment must be used. Construction of the biodiesel plant is scheduled to start in March, and it will be ready for production by September. The plant will crush seed and refine it through a

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## Panhandle News — (continued from page 8)

about 70 jobs and Superfund activities added about 40 jobs.

Tourism continues to grow as Silver Mountain Resort and the smaller Lookout Pass Ski Area expand. The Trail of the Coeur d'Alenes is also drawing more visitors.

Despite a very disappointing 2004-2005 ski season, hotel-motel receipts in Shoshone County rose 3.3 percent, from \$2.8 million in 2004 to \$2.9 million in 2005. Between 2003 and 2004, hotel-motel receipts had grown 12.8 percent.

More tourism growth is on the horizon. Eagle Crest, owner of Silver Mountain Resort, opened its Morning Star Lodge in late May. This fall, the resort broke ground on three new residential buildings with 110 condominium/hotel units, more commercial space and an indoor water park near the lodge. Future plans for Silver Mountain include new ski lifts, expanded terrain, home sites and a golf course.

Rising incomes and increased tourism gave a boost to retail sales. Another major contributor to retail sales growth was Dave Smith Motors in Kellogg, the county's largest employer. The dealership employs more than 300 people and sells vehicles across the United States via the Internet. Taxable sales in Shoshone County grew 14.8 percent from \$114.8 million in 2004 to \$131.7 million in 2005.

Construction is playing a major role in Shoshone County's economy. Between 2002 and 2005, construction employment grew about 70 percent and accounted for 23 percent of the 480 total nonfarm payroll jobs added.

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Kathryn Tacke, Regional Economist  
1221 W. Ironwood Drive, Coeur d'Alene, ID 83814  
(208) 769-1558 ext. 3984  
E-mail: kathryn.tacke@cl.idaho.gov

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process called transesterification. The refining process separates the canola oil into two products — methyl esters, the chemical name for biodiesel, and glycerin, a by-product that can be sold for use in soaps or other products. Nave said the operation will be a "zero discharge facility," meaning no waste will be pumped into the local ecosystem. Initially he will have to import canola oil from Canada to get the refining operation started, but hopes to buy and crush canola seeds from local farmers in the

spring. Nave's goal is for 50 percent of his canola seed to come from local farmers by 2010.

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Doug Tweedy, Regional Economist  
1158 Idaho St., Lewiston, ID 83501  
(208) 799-5000 ext. 3511  
E-mail: doug.tweedy@cl.idaho.gov

## Southwestern Idaho News — (continued from page 12)

- The U.S. Small Business Administration recently updated its definition of a small business by raising the size limit from \$6 million to \$6.5 million to allow small businesses with growth matching the inflation rate to still have access to the organization's services. The last size-limit increase was in February 2002.
- Two new hotels are currently under construction in the Treasure Valley. At the Bodo complex in downtown Boise a new Hampton Inn and Suites is under construction. In Nampa a new Holiday Inn Express recently broke ground near the Garrity exit off of Interstate 84. Both hotels will add to the availability of rooms for the valley and are expected to cater to business travelers.

### Valley County

- Valley County has hired a consultant previously employed by Blaine County to set up a housing authority for both Valley and Adams Counties. No other localities

are being asked to contribute money for this project but all local governments will have a member present on the board created to operate the housing authority. In addition to Valley and Adams counties, the cities of Cascade, McCall, Donnelly, Council and New Meadows are expected to participate.

### Elmore County

- Advance registrations are now being accepted for jobs with Marathon Cheese. The company is not hiring yet but expects to start reviewing job applications beginning this spring.

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John Panter, Regional Economist  
205 E. Watertower Lane, Meridian, ID 83642  
(208) 364-7785, ext. 3599  
E-mail: john.panter@cl.idaho.gov